Bank Loans for purchase of Commercial Vehicles

4017. SHRI NYODEK YONGGAM: Will the Minister of FINANCE be pleased to state:

(a) what are the terms and conditions for advancing of loans for the purchase of commercial vehicles like passenger buses, matadors, taxies etc. from nationalised banks in Delhi as on the 15th March, 1993;

(b) whether it is a fact that borrowers are required to furnish collateral security/third party guarantee; if so, the detail thereof;

(c) whether Government are aware that educated unemployed and other persons of ordinary means are unable to give such security/guarantee;

(d) if so, whether Government propose to remove the conditons as in(c) above to grant loans on easy terms;

(e) if not, what are the reasons therefor; and

(f) the names of the nationalised banks and their branches in Delhi which are advancing such loans at present?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MNISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFARS (DR. ABRAR AHMED): (a) to (f) As per the existing guidelines of Reserve Bank of India (RBI) bank loans are extended to small road transport operators owing a fleet of six vehicles including the one proposed to be financed as a part of their priority sector advances in all parts of the country including Delhi. The vehicles which carry passengers or goods like taxies, trucks, autorickshaws, buses etc. are eligible for transport loans of the public sector banks. The rate of interest on term loans to transport operators upto two vehicles are concessional. As per the conditions of eligibility for obtaining such loans, the applicants should have experience and possesses driving licence and valid permits. Banks are not to ask for collateral security/third party guarantee for loans upto and inclusive of Rs. 25,000$-. The security for loan may be ensured by mortgaging the vehicle and providing adequate insurance cover to the vehicle alongwith the third party guarantee. Need based loans are provided by the banks on the loan proposals which are financially viable and technically feasible. The existing guidelines are to cover all applicants including the unemployed and others for ensuring the proper security to the loan. All the public sector banks having branches in Delhi are to grant loan in accordance with the guidelines issued by RBI from time to time and as per the rules and procedures followed by each bank.

Unhealthy Practices by Foreign Banks

4018. SHRI ASHIS SEN: Will the Minister of FINANCE be pleased to state·

(a) whether foreign banks are using nationalised bank officials to mobilise funds for themselves at the cost of the national exchequer;

(b) whether Government are considering to curb their activities in the country;

(c) if so, what are the details thereof;

(d) whether any action will be initiated against the erring bank officials;

(e) if so, what are the details thereof; and

(f) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) Reserve Bank of India (RBI) have reported that they have no information to the effect that foreign banks are using nationalised bank officials to mobilise funds,for them-

selves at the cost of the national exchequer. However, foreign banks were mobilising deposits under Portfolio Management Scheme by violating RBI's guidelines. After the irregularities in security transactions came to light, RBI had undertaken scrutiny of investment transactions of all the banks including foreign banks. Thereafter, guidelines were issued by RBI to all the banks for proper conduct of Portfolio Management Scheme and related transactions.

(d) to (i) RBI have taken action against some of the foreign banks as per details given below :—

(i) The request of Bank of America for re-appointment of their Chief Executive Officer after 30th November, 1992 was not acceded to by RBI.

(ii) The term of Chief Executive Officer of Deutsche Bank was allowed to be extended by RBI for 6 months only as against the request for one year from the Bank.

Foreign banks themselves have also initiated action against their staff as per details given below:

(i) ANZ Grindlays Bank has shifted their Chief Executive Officer from India.

(ii) Citibank has terminated the services of four of their officers connected with securities transactions with effect from January, 1993.

(iii) Standard Chartered Bank has informed RBI that following their internal investigation, disciplinary action has been taken against erring officials.

Funds Collected by Missionaries

4019. SHRI DILIP SINGH JUDEV: Will the Minister of FINANCE be pleased to state:

(a) the state-wise details of funds from the State Governments and foreign countries received in the years 1990-91, 1991-92 and so far in 1992-93 by various institutions of education, health and social services run by foreign and the Indian missionaries functioning in India; and

(b) what are the state-wise details of the educational institutions, health and other service institutions being run by them alongwith the statewise details of the people to be benefited from these situations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) No such de[illegible] being maintained.

Policy Holders of LIC

4020. SHRI DILIP SINGH JUDEV: Will the Minister of FINANCE be pleased to state:

(a) what is the number of persons insured and the new policies issued State-wise, by Life Insurance Corporation of India during the years 1990-91, 1991-92 and 1992-93 yearwise;

(b) what is the Statewise number of policy holders who have been paid full amount of the policy on maturity, during the above period; and

(c) what is the number of the policyholder, who died before maturity of their policy during the said period together with the Statewise and yearwise number out of them whose amount was paid and what are the details of the cases in which payment has not been made so far together with the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED). (a) to (c) Information is being collected and will be laid on the Table of the House.